

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

COME-00 EB-07 LAB-04 SIL-01 /069 W

----- 031090

R 211315Z APR 76

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 5324

INFO DIA/DOD WASHDC

C O N F I D E N T I A L BUENOS AIRES 2587

E. O. 11652: GDS

TAGS: ELAB, PINT, AR

SUBJECT: LABOR AND THE GOA

1. SUMMARY. GOA POLICY REGARDING FUTURE DELAINGS WITH ORGANIZED LABOR IS STILL UNCLEAR, AT LEAST TO LABOR. LABOR LEADERS HAVE BEEN ADVISED BY MILITARY THAT POLICY WILL BE DEFINED WITHIN TWO WEEKS, ALTHOUGH FEW CONTACTS BELIEVE THAT SITUATION WILL REALLY BECOME CLARIFIED BEFORE AN ADDITIONAL TWO TO THREE MONTHS. MEANWHILE, DISPARATE GROUPS OF LABOR LEADERS, EACH SEEKING TO BECOME NUCLEUS OF FUTURE LEADERSHIP, ARE HOLDING DISCUSSIONS WITH MILITARY. RESULT IS INCREASED DIVISIONS WITHIN LABOR LEADERSHIP RANKS. END SUMMARY.

2. MILITARY GOVERNMENT HAS NOT GIVEN ANY PUBLIC INDICATION OF WHAT ITS FUTURE POLICY VIS-A-VIS ORGANIZED LABOR WILL BE. LABOR CONTACTS REPORT THAT MILITARY HAS ADVISED THEM THAT INTERNAL MILITARY DIFFERENCES OF OPINION HAVE PRECLUDED FINAL DECISION. CONTACTS STATE THAT SOME MILITARY OFFICIALS, PRIMARILY AT COLONEL LEVEL WITHIN ARMY AND AIR FORCE AND FAIRLY WIDESPREAD THROUGHOUT NAVY, ARE PRESSURING GENERAL VIDELA TO ADOPT HARD-LINE APPROACH. SUCH APPROACH REPORTEDLY IMPLIES DESTRUCTION OF EXISTING UNION STRUCTURE AND REMOVAL OF CURRENT LABOR LEADERSHIP. MAJORITY OF CONTACTS BELIEVE VIDELA, VIOLA AND OTHER SENIOR OFFICERS ARE HOLDING OUT FOR CONFIDENTIAL

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MODERATE APPROACH, UTILIZING EXISTING STRUCTURE AND CO-

OPERATING WITH MAJORITY OF PRESENT LEADERS.

3. GOA ACTIONS AND REACTIONS THUS FAR REGARDING LABOR APPEAR TO BE MORE PIECEMEAL THAN PLANNED, LENDING CREDENCE TO IDEA THAT NO POLICY HAS BEEN DECIDED UPON. HOWEVER, WHILE LARGE MAJORITY OF LABOR CONTACTS ACCEPT MILITARY'S PROTESTATIONS THAT THERE IS NO DEFINED POLICY, A FEW ARE NOW BEGINNING TO QUESTION WHETHER THE ABSENCE OF A POLICY IS NOT ITSELF THE POLICY. THAT IS, THEY QUESTIONS WHETHER "INACTION AND NO FORWARD PROGRESS ARE THE RESULT OF NOT HAVING A POLICY OR, CONVERSELY, A DELIBERATE POLICY DESIGNED TO DIVIDE AND DESTROY ORGANIZED LABOR." REGARDLESS OF WHERE THE TRUTH LIES, THE LACK OF FORWARD MOVEMENT HAS PROMOTED INCREASING APPREHENSION ON PART OF MAJOR LABOR LEADERS, WHO FEAR THEY WILL LOSE OUT, AND ANTICIPATION ON PART OF SECONDARY LEVEL LEADERS, WHO SEE POSSIBILITY THEY WILL EMERGE AS MAJOR LEADERS OF THE FUTURE. THE NET RESULT TO DATE HAS BEEN AN INCREASING FRAGMENTATION OF THE LABOR MOVEMENT.

4. IN ABSENCE OF A CLEAR POLICY, AT LEAST THREE DISTINCT GROUPS OF LABOR LEADERS HAVE FORMED, WITH EACH GROUP SEEKING TO BECOME FOCAL POINT OF NEGOTIATIONS WITH MILITARY. INDIVIDUAL LABOR LEADERS AND SMALLER GROUPS ARE ALSO MANEUVERING FOR FUTURE LEADERSHIP POSITIONS. THE ONLY GROUP WHICH HAS RECEIVED ANY PUBLICITY IS ONE LED BY HEALTH WORKERS FEDERATION (FATSA) SECGEN OTTO CALACE. REPRESENTING APPROXIMATELY 65 SMALL UNIONS AND PREVIOUSLY OUSTED LEADERS OF RAILWAY UNION (UF), GROUP WAS FRUSTRATED IN ATTEMPTS TO HOLD FORMAL DISCUSSIONS WITH CGT INTERVENTOR FABRIZI AND MINLABOR LIENDO. THEY ARE NOW MEETING WITH LOWER LEVEL MILITARY OFFICERS. THIS GROUP HOPES TO REPLACE LEADERS OF MAJOR UNIONS, WHOM THEY BELIEVE MILITARY WILL EXCLUDE FROM FUTURE LEADERSHIP ROLES.

5. A SECOND IMPORTANT GROUP REPRESENTS LEADERS OF SEVERAL MAJOR UNIONS, INCLUDING THOSE WHO NEGOTIATED WITH MILITARY PRIOR TO COUP. DURING APRIL 13 MEETING THEY DECIDED TO REMAIN APART FROM CALACE'S GROUP, ALTHOUGH THEY ARE NOT ANTAGONISTIC TO MAJORITY OF LEADERS COLLABORATING WITH CONFIDENTIAL

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CALACE. AN EMISSARY OF GROUP HELD LENGTHY MEETING WITH GEN VIOLA EVENING SAME DAY IN EFFORT TO CONVINCE MILITARY TO WORK WITH "SALVAGEABLE" MAJOR LEADERS. LABATT INFORMED THAT VIOLA REQUESTED THAT THEY BE PATIENT "FOR ANOTHER EIGHT DAYS" TO PERMIT MILITARY TO RESOLVE DIFFERENCES AND ADOPT DEFINITE POLICY. INDIVIDUAL LEADERS WITHIN GROUP HAVE ALSO BEEN HOLDING CONVERSATIONS WITH COLONELS DESIGNATED BY FABRIZI, BUT THEY REPORT THEIR DISSATISFACTION WITH SUCH

DEALINGS. THEY HAVE NOT RECEIVED SATISFACTORY RESPONSES AND BELIEVE THAT THEIR POSITION HAS NOT BEEN BROUGHT TO ATTENTION OF VIDELA. SEVERAL LEADERS OF THIS GROUP HAVE ADVISED LABATT THEY WILL "BE FORCED TO SEEK ASSISTANCE FROM FRIENDLY FOREIGN UNIONS AND TRADE SECRETARIATS (ITSES)" IF ACTION ISN'T FORTH-COMING SOON.

6. A THIRD GROUP WHICH APPEARS TO HAVE POSSIBILITY OF INFLUENCING EVENTS IS NOW BEING FORMED AROUND METAL WORKERS UNION (UOM) LEADER, BUENOS AIRES PROVINCE EX-GOVERNOR CALABRO. ON APRIL 13 CALABRO REASSUMED CONTROL OF IMPORTANT VICENTE LOPEZ UOM LOCAL. CALABRO, IF HE CAN SURVIVE INVESTIGATION INTO HIS ALLEGEDLY CORRUPT ACTIVITIES, IS HEIR APPARENT TO POWERFUL METAL WORKERS UNION. HE IS ALSO MAKING CONTACT WITH NON-METAL WORKERS UNION LEADERS.

7. THE NEO-VANDORIST GROUP OF EIGHT (SEE A-253, 8/12/74), AS VISIBLY REPRESENTED BY PAPER WORKERS LEADERS DONAIRES, MUNICIPAL WORKERS LEADER IZZETTA AND SOFT DRINK WORKERS CHIEF RACCHINI, IS APPARENTLY PLAYING ITS OWN GAME. THEY HAVE MET WITH EACH OF ABOVE THREE GROUPS AND HAVE REPORTEDLY EXPRESSED SYMPATHY WITH EACH ONE. HOWEVER, THEY HAVE JOINED NONE OF THEM.

8. COMMENT. FUTURE OF ORGANIZED LABOR IN ARGENTINA IS STILL UNCERTAIN. DESPITE UNCERTAINTY AND PRECARIOUS SITUATION OF SOME LABOR LEADERS, LABOR IS WILLING TO GIVE MILITARY MORE TIME TO SORT OUT ITS OWN POLICIES. AS SOME HAVE NOTED, SO LONG AS THERE IS NO POLICY, THERE IS AT LEAST HOPE THAT WHEN ONE IS ADOPTED IT WILL BE FAVORABLE.  
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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR RELATIONS, POLICIES, LABOR UNIONS, MILITARY GOVERNMENT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 APR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 3  
**Previous Channel Indicators:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 JUL 2004 by ElyME>; APPROVED <26 OCT 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** LABOR AND THE GOA  
**TAGS:** ELAB, PINT, AR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006